

**GREATER BOSSIER ECONOMIC
DEVELOPMENT FOUNDATION
BOSSIER CITY, LOUISIANA
DECEMBER 31, 2008 AND 2007**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 9/23/09

GREATER BOSSIER ECONOMIC DEVELOPMENT FOUNDATION

BOSSIER CITY, LOUISIANA

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AUDITED FINANCIAL STATEMENTS

HEARD McELROY & VESTAL

LLP
CERTIFIED PUBLIC ACCOUNTANTS

333 TEXAS STREET
15TH FLOOR
SHREVEPORT, LA 71101
318 429-1525
318 429-2070 FAX
POST OFFICE BOX 1607
SHREVEPORT, LA
71165-1607

PARTNERS
SPENCER BERNARD, JR., CPA
H.Q. GAHAGAN, JR., CPA, APC
GERALD W. HEDGCOCK, JR., CPA, APC
TIM B. NIELSEN, CPA, APC
JOHN W. DEAN, CPA, APC
MARK D. ELDREDGE, CPA
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ALICE V. FRAZIER, CPA
MELISSA D. MITCHAM, CPA, CFP
OF COUNSEL
GILBERT R. SHANLEY, JR., CPA
C. CODY WHITE, JR., CPA, APC
RON W. STEWART, CPA, APC

May 18, 2009

To the Board of Directors
Greater Bossier Economic Development Foundation
Bossier City, Louisiana

Independent Auditor's Report

We have audited the accompanying statements of financial position of the Greater Bossier Economic Development Foundation (a nonprofit organization) as of December 31, 2008 and 2007, and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of the management of the Greater Bossier Economic Development Foundation. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Greater Bossier Economic Development Foundation as of December 31, 2008 and 2007, and the changes in its net assets and cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued a report dated May 18, 2009, on our consideration of Greater Bossier Economic Development Foundation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Heard, McElroy & Vestal, LLP

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A PROFESSIONAL SERVICES FIRM
SHREVEPORT • WEST MONROE

hmv@hmvcpa.com E-MAIL
www.hmvcpa.com Web Address

GREATER BOSSIER ECONOMIC DEVELOPMENT FOUNDATION

STATEMENTS OF FINANCIAL POSITION

DECEMBER 31, 2008 AND 2007

<u>ASSETS</u>	<u>2008</u>	<u>2007</u>
<u>Current assets:</u>		
Cash and cash equivalents	501,179	782,789
Investments-Note 3	634,811	284,600
Receivables-Note 6	<u>32,194</u>	<u>-</u>
Total current assets	1,168,184	1,067,389
 <u>Property and equipment</u> , less accumulated depreciation of \$22,213 and \$17,704-Notes 5 and 10	 28,440	 8,335
 <u>Other assets:</u>		
Investment in Red River Bidco, Inc.	<u>100,000</u>	<u>100,000</u>
 Total assets	<u>1,296,624</u>	<u>1,175,724</u>
 <u>LIABILITIES</u>		
 <u>Current liabilities:</u>		
Payroll taxes	<u>5,035</u>	<u>1,414</u>
 Total liabilities	 5,035	 1,414
 <u>NET ASSETS</u>		
 <u>Net assets:</u>		
Unrestricted	<u>1,291,589</u>	<u>1,174,310</u>
 Total liabilities and net assets	<u>1,296,624</u>	<u>1,175,724</u>

The accompanying notes are an integral part of the financial statements.

GREATER BOSSIER ECONOMIC DEVELOPMENT FOUNDATION

STATEMENTS OF ACTIVITIES

FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2007

	<u>2008</u>	<u>2007</u>
<u>Revenue and other support:</u>		
Contributions	-	15,680
Dues	51,075	50,675
Riverboat revenue	534,940	508,546
Grant revenue	52,500	-
Special projects	12,500	15,000
Investment income	18,940	19,089
Miscellaneous income	<u>10,500</u>	<u>9,500</u>
Total revenue and other support	680,455	618,490
<u>Expenses:</u>		
Program services:		
Community support	212,516	164,422
Legislative expenses	3,000	3,000
Special projects	<u>35,620</u>	<u>16,225</u>
Total program services	251,136	183,647
Supporting services:		
Salaries and benefits	174,386	159,754
Professional services	16,209	12,165
Marketing	68,825	14,162
Newsletter and promotion	4,007	5,255
Rent-Note 7	11,125	8,400
Office operations	33,293	31,351
Interest expense	16	-
Depreciation	2,994	2,186
Other	<u>1,185</u>	<u>1,111</u>
Total supporting services	<u>312,040</u>	<u>234,384</u>
Total expenses	<u>563,176</u>	<u>418,031</u>
<u>Change in net assets</u>	117,279	200,459
<u>Net assets-beginning of year</u>	<u>1,174,310</u>	<u>973,851</u>
<u>Net assets-end of year</u>	<u>1,291,589</u>	<u>1,174,310</u>

The accompanying notes are an integral part of the financial statements.

GREATER BOSSIER ECONOMIC DEVELOPMENT FOUNDATION

STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2007

	<u>2008</u>	<u>2007</u>
<u>Cash flows from operating activities:</u>		
Change in net assets	117,279	200,459
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	2,994	2,186
Changes in operating assets and liabilities:		
(Increase) decrease in receivables	(32,194)	100,000
Increase in payables	<u>3,621</u>	<u>1,414</u>
Net cash provided by operating activities	91,700	304,059
<u>Cash flows from investing activities:</u>		
Purchase of certificates of deposit	(390,463)	-
Proceeds from redemption of certificate of deposit	40,252	-
Purchase of fixed assets	<u>(23,099)</u>	<u>(729)</u>
Net cash (used) by investing activities	<u>(373,310)</u>	<u>(729)</u>
<u>Net increase (decrease) in cash</u>	(281,610)	303,330
<u>Cash at beginning of year</u>	<u>782,789</u>	<u>479,459</u>
<u>Cash at end of year</u>	<u>501,179</u>	<u>782,789</u>

The accompanying notes are an integral part of the financial statements.

GREATER BOSSIER ECONOMIC DEVELOPMENT FOUNDATION

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2008 AND 2007

1. Organization

The Greater Bossier Economic Development Foundation (the Foundation) is a Louisiana nonprofit corporation which has been in existence since 1979 as the economic development arm of the Bossier Chamber of Commerce. On April 13, 2005, the Foundation was incorporated and exempt under Section 501(c)(6) of the Internal Revenue Code and became its own independent nonprofit entity. The activities currently provided by the Foundation include providing leadership and excellence in economic development for Bossier City, Louisiana.

2. Summary of Significant Accounting Policies

The significant accounting policies followed by the Foundation and the methods of applying those policies which materially affect the determination of financial position, changes in financial position, or changes in net assets are summarized below:

Financial Statement Presentation:

The Foundation has adopted Statement of Financial Accounting Standards (SFAS) No. 117, "Financial Statements of Not-for-Profit Organizations." Under SFAS No. 117, the Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

Unrestricted net assets – Net assets that are not subject to donor-imposed stipulations. Unrestricted net assets may be designated for specific purposes by action of the governing board.

Temporarily restricted net assets – Net assets subject to donor-imposed stipulations that will be met either by actions of the Board of Directors and/or the passage of time. There are no temporarily restricted net assets at December 31, 2008 and 2007.

Permanently restricted net assets – Net assets subject to donor-imposed stipulations that they be maintained permanently by the Foundation. There are no permanently restricted net assets at December 31, 2008 and 2007.

Contributions:

The Foundation also adopted SFAS No. 116, "Accounting for Contributions Received and Contributions Made." In accordance with SFAS No. 116, contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence and/or nature of any donor restrictions.

Promises to Give:

Contributions that are unrestricted by the donor are recognized when the contribution is received. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

2. Summary of Significant Accounting Policies (Continued)

Estimates:

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Cash and Cash Equivalents:

The Foundation considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. The carrying value of cash and cash equivalents approximates fair value because of the short maturities of these financial instruments.

Income Taxes:

The Foundation is exempt from income taxes as an organization described in Section 501(c)(6) of the Internal Revenue Code. The Foundation has been classified as an organization that is not a private foundation under Section 509(a). Accordingly, there is no provision for income taxes in these financial statements.

3. Investments

Investments consist of certificates of deposit as follows:

		<u>2008</u>	<u>2007</u>
Business First Bank	1.9% maturing February 2, 2009	100,000	-
Capital One Bank	1.49% maturing June 30, 2009	85,000	85,000
Citizens Bank & Trust	2.23% maturing July 14, 2009	100,000	100,000
First Guaranty Bank	2.0% maturing January 23, 2009	90,000	-
First National Bank of Benton	0.749% maturing February 14, 2009	85,000	-
Red River Bank	1.25% maturing April 17, 2009	85,000	-
Regions Bank	1.25% maturing November 6, 2009	89,811	59,348
Regions Bank	3.73% matured January 2, 2008	-	40,252
		<u>634,811</u>	<u>284,600</u>

4. Concentrations of Credit Risks

The Foundation maintains cash balances at several financial institutions. Accounts at each institution are insured by the Federal Deposit Insurance Corporation up to \$250,000. At December 31, 2008, the Foundation's uninsured cash balances total \$0-.

5. Fixed Assets

Fixed assets at December 31, 2008 and 2007 are summarized as follows:

	<u>2008</u>	<u>2007</u>
Leasehold improvements	13,139	-
Furniture and fixtures	10,862	7,506
Office equipment	<u>27,323</u>	<u>20,720</u>
	51,324	28,226
<u>Less-accumulated depreciation</u>	<u>22,884</u>	<u>19,891</u>
Book value of fixed assets	<u>28,440</u>	<u>8,335</u>

Depreciation expense was \$2,994 and \$2,186 for the years ended December 31, 2008 and 2007.

6. Receivables

The receivables are summarized as follows:

	<u>2008</u>	<u>2007</u>
Due from the City of Bossier for 2008 economic development.	<u>32,194</u>	<u>-</u>
	<u>32,194</u>	<u>-</u>

7. Operating Lease

The Foundation currently leases its present location from the Bossier Chamber of Commerce under a month-to-month lease. The expense incurred under this lease for the years ended December 31, 2008 and 2007 was \$11,125 and \$8,400, respectively.

8. Retirement Plan

Prior to August 2007, the Foundation participated in a 401(k) retirement plan which was a part of the Bossier Chamber of Commerce plan.

Beginning in August 2007, the Foundation began a separate retirement plan of its own, a Simple IRA. Under this plan, employees may contribute up to 6% to the plan, and the Foundation may contribute up to 3%. The Foundation contributed \$4,051 and \$3,428 to the plan for the years ended December 31, 2008 and 2007, respectively.

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May 18, 2009

The Board of Directors
Greater Bossier Economic Development Foundation
Bossier City, Louisiana

Report on Internal Control Over Financial Reporting and on
Compliance and Other Matters Based on an Audit of Financial Statements
Performed in Accordance with Government Auditing Standards

We have audited the financial statements of Greater Bossier Economic Development Foundation as of and for the year ended December 31, 2008, and have issued our report thereon dated May 18, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered Greater Bossier Economic Development Foundation's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

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A PROFESSIONAL SERVICES FIRM
SHREVEPORT • WEST MONROE

hmv@hmvcpa.com E-MAIL
www.hmvcpa.com WEB ADDRESS

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Greater Bossier Economic Development Foundation's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the Board of Directors and Management of Greater Bossier Economic Development Foundation and is not intended to be and should not be used by anyone other than these specified parties.

Heard, McElroy & Vostal, LLP

GREATER BOSSIER ECONOMIC DEVELOPMENT FOUNDATION

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE YEAR ENDED DECEMBER 31, 2008

A. Summary of Audit Results

1. The auditor's report expresses an unqualified opinion on the basic financial statements of Greater Bossier Economic Development Foundation.
2. No reportable conditions relating to the audit of the basic financial statements are reported.
3. No instances of noncompliance material to the basic financial statements of Greater Bossier Economic Development Foundation were disclosed during the audit.
4. Greater Bossier Economic Development Foundation was not subject to a Federal Single Audit for the year ended December 31, 2008.

B. Findings - Financial Statement Audit

None

C. Findings and Questioned Costs - Major Federal Award Programs

Not applicable.

GREATER BOSSIER ECONOMIC DEVELOPMENT FOUNDATION

SCHEDULE OF PRIOR AUDIT FINDINGS

FOR THE YEAR ENDED DECEMBER 31, 2008

There were no findings and questioned costs from the prior year.